

Railways Gets ₹2.6kcr for Revamp of 19 Stations

Secures credit line from IRFC; to go for EPC model; private players to be roped in later for the commercial area

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New Delhi: The Indian Railways is on track to kick-starting redevelopment of 19 railway stations in the country to world-class standards, having secured a ₹2,600-crore credit line from its financing arm for the purpose.

The Indian Railway Stations Development Corporation (IRSDC), the nodal body for station redevelopment programme, will redevelop the identified railway stations on its own in the engineering, procurement and construction mode, said a senior railways ministry official.

“Private players can come in later and bid for the commercial area that would be made available at the stations. It will be similar to the National Building Construction Corporation model of reconstruction,” said the official, speaking on condition of anonymity.


Apart from the credit line from the Indian Railway Finance Corporation, which raises money through market

Right on Track

- **Redevelopment** of station to kick off as IRFC agrees to extend credit

- **IRFC** has offered ₹2,600 cr 

- **19 stations** to be redeveloped into world-class terminals

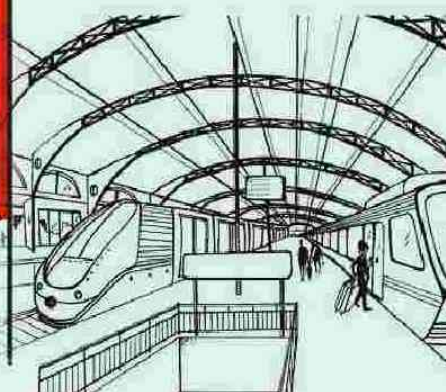
- **Railways** to go for EPC & PPP models 

- **IRSDC** to prepare list of stations, work likely to start by year-end

Monetisation of stations to be done by leasing out commercial area

- **Pvt sector** can also bid under PPP route to redevelop stations

- **99-year** lease for commercial assets, along with option to sublease 



borrowings, other railway public sector units including RLDA, RITES and IRCON will provide equity support to the IRSDC for the project, according to the official.

“The work on 19 stations is likely to start by the end of this year. The list of commercially viable stations is being prepared,” said the official.

Officials said the IRSDC found that the

real estate industry was reluctant about the redevelopment of station buildings, platforms and other core areas. However, private players were willing to bid for commercial properties inside the station area and within the complex. “Hence, this model will ensure that the investment that the IRSDC is making will generate returns,” said the official.

The decision to make the IRSDC the

nodal body for the station redevelopment programme was taken by railways minister Piyush Goyal recently.

Simultaneously, the ministry has got the cabinet nod to extend the lease period of private contractors who are willing to bid for redevelopment projects. The railways has now increased the lease period for concessionaires to 99 years from 45 years, making it lucrative for private players. Besides, the contractors will be allowed to sublease the land.

The station redevelopment programme is part of the National Democratic Alliance government’s promise in 2014, when it assumed office, to modernise 400 railway stations.

In 2015, then rail minister Suresh Prabhu had decided to go for 100% private participation in the project, expecting companies to invest in exchange for development rights of land owned by the Indian Railways. However, the private sector largely stayed away as it felt the conditions were too stiff and the concession period of 45 years not viable.